

Los Angeles
World Airports

July 7, 2020

Via FedEx to: Joshua Neff
and email to: Michellerice@dhs.gov
Joshua.neff@dot.gov

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Mr. Joshua Neff, Chief
Recall Management Division
Office of Defects Investigations, Enforcement
National Highway Traffic Safety Administration
1200 New Jersey Avenue SE
Washington, DC 20590

Re: ARBOC Specialty Vehicles, LLC NHTSA Recall No. : 20V-335

Dear Mr. Neff:

The City of Los Angeles, Department of Airports ("City") is in receipt of a June 22, 2020, National Highway Traffic Safety Administration ("NHTSA") Part 573 Safety Recall Report for ARBOC Specialty Vehicles, LLC ("ARBOC") Spirit of America vehicles. The City also received a copy of a June 17, 2020, letter from the NHTSA to ARBOC. Your Safety Recall involves a fleet of City-owned vehicles including eight (8) Spirit of America trolleys destroyed in two separate fires. The fires occurred on December 21, 2019, and June 3, 2020. ARBOC did not send the NHTSA Safety Recall to the City.

In light of the City's safety concerns and its substantial losses, the City requests that the NHTSA Office of Defects Investigations conduct an investigation of the City-owned vehicles destroyed in these two fires. Both fires, involved City-owned Spirit of America vehicles relate to the NHTSA's June 22, 2020, Spirit of America Safety Recall. The June 17, 2020, NHTSA letter addressed ARBOC's reported manufacturing/assembly defects with Spirit of America vehicles.

I do not know if ARBOC also informed the NHTSA that after it allegedly made the repairs, described in the NHTSA June 22, 2020, Safety Recall, a second fire on June 3, 2020, destroyed six City-owned Spirit of America vehicles. Recently, the City received a copy of a January 17, 2020, C & O Services Report, written by John J. Powell, CFI. That report noted that when ARBOC was making repairs on the City fleet of Spirit of America vehicles a control vehicle caught fire on January 15, 2020. Based upon C & O Services' inspection, Mr. Powell stated:



“During body assembly, ARBOC cut openings through the firewall for installation of a 30 amp breaker and for ventilation ducting. These openings were reportedly cut freehand, using a plasma cutter, and the irregular shape of the breaker cutouts failed to provide a secure and consistent mounting location for the breakers, which utilized two mounting bolts. Of the three buses, we inspected (two damaged buses and one undamaged exemplar) only one mounting bolt was accommodated in two of the three. Measuring the installed length of the bolts, a lack of uniformity of approximately 3/16 inches in the tightened length was identified, potentially allowing movement of the breaker in its installed position.

“It was noted that wire-reinforced plastic ducting had been installed by ARBOC during body assembly on both sides of the firewall.”

After the January 15, 2020 fire, Mr. Powell found that the fire “...appears to have been caused by contact between the reinforcing wire and the positive terminal of the breaker. This fire was extinguished with limited damages, but clearly shows the potential for an unintended electrical event when the wire-reinforced ducting is allowed to contact positively charged terminals, as are present on both sides of the firewall.”

Consequently, I personally know of three fires, involving the Spirit of America vehicles, which are the subject matter of this NHTSA Safety Recall. The City has limited expertise in the investigation of CNG vehicle fires. The NHTSA should also be aware that the City uses these CNG vehicles to transport tens of thousands of passengers from the terminals at Los Angeles International Airport (“LAX”) to a taxi and ride share parking lot known as LAX-it (“LAX-it Lot”).

By way of background, on January 24, 2019, based solely upon the representations of SVI, Inc., dba Specialty Vehicles (“SVI”), the dealer through which the City purchased these vehicles that it would manufacture, fabricate, and sell to the City vehicles of the “highest quality possible”, the City awarded SVI Contract No. DA-5337 (“Agreement”). SVI agreed to deliver ownership and possession of thirty-six 34-foot XBA Compressed Natural Gas (“CNG”) converted ARBOC Spirit of America Low Floor Trolleys (“Trolleys”) to the City. As previously stated, since delivery of the Trolleys, two separate fires of December 21, 2019, and June 3, 2020, caused the destruction of eight (8) SVI Trolleys that SVI furnished to the City under this Agreement.

On December 21, 2019, less than three (3) months after the City took delivery of the Trolleys, two (2) of the Trolleys, VIN #4UZAEEJF65LCLU5949 (Trolley 1766) and VIN #4UZAEEJF67LCLV9559 (Trolley 1782), were destroyed by a major fire while a third unrelated bus (VIN #1N90401811A 1 40529, Bus 1276, leased to the City by Transit Systems was also severely damaged. The fire, which originated in Trolley 1766, was first observed approximately one (1) minute after the Trolley was parked at the LAX-it lot (“LAX-it”) just to the of east LAX Terminal One and, thereafter, spread to Trolley 1782 and Bus 1276 in that order.

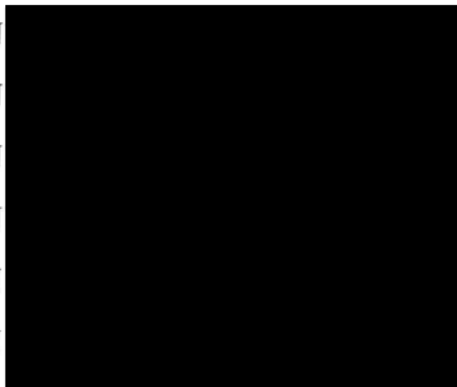
Shortly after that fire, the City removed the entire fleet of Trolleys from service for inspections and to have ARBOC, SVI's contractor, make any repairs found necessary to ensure that the City fleet was safe to operate. Neither the Fire Investigation Report, prepared by the Los Angeles Fire Department on the date of the incident, nor any investigation conducted to date by the City or anyone else, has established that the source of the fire was anything other than Trolley 1766 itself as there is no evidence of arson, any conduct by a third party, or any other instrument as the cause of the fire. The City sustained damages totaling \$2,452,854.06 from the December 21, 2019, fire.

On January 9, 2020, ARBOC performed a detailed inspection on a control vehicle (an undamaged trolley selected randomly). Repairs were initiated, and a re-work plan was developed. After completing repairs on the aforementioned control vehicle, described in Mr. Powell's report, the remaining Trolleys in the fleet allegedly underwent the same repairs (to the extent necessary), as called for by ARBOC's re-work plan, along with repairs on other deficiencies found. The repairs to the City fleet were completed on or about February 13, 2020.

On February 12, 2020, the City sent a letter to SVI, requesting that SVI provide the City with a written representation that all of the remaining Trolleys purchased by the City were safe to operate and transport passengers. The City further advised that only after receipt of SVI's written representation would the City then return the Trolleys back to service. In response, on March 17, 2020, Nancy Munoz, SVI's CEO, sent the City an email attaching what was described as a "green light" letter, dated, February 27, 2020, from ARBOC to SVI representing that all of the remaining Trolleys "have been reworked...and that "[t]he remaining fleet is ready to return to service as re-worked to date" subject to being properly maintained. On the same date, Ms. Munoz confirmed via email to the City that it agreed with ARBOC's statements that the fleet was ready to return to service and that there was no reason to believe that the vehicles were unsafe to operate. Based solely on these representations, the City placed the remaining Trolleys back into service at LAX on March 17, 2020.

The repairs proposed by ARBOC as part of the NHTSA Safety Recall were performed prior to the City placing the remaining fleet back into service on March 17, 2020. Both dealer SVI, the City's contractor and manufacturer ARBOC, SVI's contractor, assured the City that the Trolleys were safe and ready to return to service. Despite the repairs and these assurances, a second fire occurred on June 3, 2020, destroying an additional six Spirit of America Trolleys. They are as follows:

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Mr. Joshua Neff, Chief

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I have provided you this background information because the City needs the expertise of the NHTSA to investigate the root cause of these two fires. Your investigation will ensure public safety at LAX, one of our nation's largest airports.

Please don't hesitate to contact me directly if I can answer any questions or provide further information

Sincerely,



Michael R. Christensen, P.E., C.M.
Deputy Executive Director
Operations and Maintenance

MRC:vlk

cc: Angela Jamison
Robert Haines
Nicholas Hess